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(For Translation Purposes Only)

Raccoon Holdings, Inc.
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Notice Concerning Recording of Loss on Valuation of Investment Securities (Extraordinary Loss) and Revisions to Full-Year Financial Forecasts

Raccoon Holdings, Inc. ("Raccoon") recorded a loss on valuation of investment securities as an extraordinary loss for the first half under review of the fiscal year ending April 30, 2022 (May 1, 2021 to October 31, 2021), as described below. Accordingly, the Company announced it decided at its board of directors' meeting held today to revise the financial results forecasts for the fiscal year ending April 30, 2022 (May 1, 2021 to April 30, 2022), announced on June 10, 2021.

1. Loss on Valuation of Investment Securities (Extraordinary Loss)

As a result of determining the financial status of and future forecasts for one issue of investment securities held by the Company, a loss on valuation of investment securities due to an impairment of 325 million yen has been recorded as an extraordinary loss.

Loss on Valuation of Investment Securities for the First Half of the Fiscal Year Ending April 30, 2022

Total amount of loss on valuation of investment securities for the first half under review of the fiscal year ending April 30, 2022 (= A – B)	325 million yen
(A) Total amount of loss on valuation of investment securities for the first half under review of the fiscal year ending April 30, 2022 (May 1, 2021 to October 31, 2021)	325 million yen
(B) Total amount of loss on valuation of investment securities for the period under review (May 1, 2021 to July 31, 2021) of the preceding quarter (first quarter of the fiscal year ending April 30, 2022)	—

* The reversing entries method has been adopted for the quarterly valuation method for investment securities.

* The Company's fiscal year ends on April 30.

2. Revisions to Financial Results

(1) Revisions to Consolidated Results Forecasts for the Fiscal Year Ending April 30, 2022 (May 1, 2021 to April 30, 2022)

	Net sales	EBITDA	Operating income	Ordinary income	Net income attributable to owners of parent	Net income per share
	Million yen	Million yen	Million yen	Million yen	Million yen	Yen
Previously announced forecast (A)	5,300	1,580 ~ 1,680	1,430 ~ 1,530	1,430 ~ 1,530	940 ~ 1,000	42.35 ~ 45.05
Revised forecast (B)	5,300	1,580 ~ 1,680	1,430 ~ 1,530	1,430 ~ 1,530	690 ~ 760	31.07 ~ 34.22
Difference (B - A)	0 ~ 0	0 ~ 0	0 ~ 0	0 ~ 0	(240) ~ (250)	(10.83) ~ (11.28)
Change (%)	0.0	0.0	0.0	0.0	(24.0) ~ (26.5)	(24.0) ~ (26.6)
(Reference) Consolidated results for the previous fiscal year (fiscal year ended April 2021)	4,364	1,339	1,196	1,216	800	36.78

2. Reason for Revisions

Regarding full-year consolidated results forecasts, consolidated net sales, EBITDA, consolidated operating income, and consolidated ordinary income remain unchanged from the previous announcement, and net income attributable to owners of parent was revised owing to the recording of extraordinary loss in 1 above. Additionally, the amount of the effect on net income attributable to owners of parent has been calculated taking into consideration an effective tax rate reasonably estimated for income before income taxes after recording of the extraordinary loss.

Furthermore, dividend forecasts have not been revised from the previous forecasts.

* The above forecasts represent an outlook assessed based on information available as of the date of this document and contain uncertain factors. Actual results, etc. may differ from the above figures due to various factors going forward.